

DATE ISSUED: January 29, 2003 REPORT NO. 03-013

ATTENTION: Mayor and City Council  
Docket of January 28, 2003

SUBJECT: Proposition 14 Grant Applications: Round Two and Round Three

REFERENCE: Manager's Report No. 01-234 Dated January 30, 2001  
Manager's Report No. 01-148 Dated July 25, 2001  
Manager's Report No. 01-234 Dated October 26, 2001  
Manager's Report No. 01-275 Dated December 7, 2001  
Manager's Report No. 02-116 Dated May 22, 2002  
Manager's Report No. 02-159 Dated July, 10, 2002

SUMMARY

Issue: Shall the Library Department submit an application for the Main Library for Round 2 of the Proposition 14 grant funding cycle, due March 28, 2003?

Manager's Recommendation:

Submit a Proposition 14 grant application for the Main Library for Round 2 of the Proposition 14 grant funding cycle, due March 28, 2003.

Fiscal Impact: There will be some costs associated with the preparation of the grant application; however, funds will be available in the project budget. No new money will be requested.

Environmental Impact: The City of San Diego as Lead Agency under CEQA has reviewed and considered a Mitigated Negative Declaration (dated May 14, 2002 covering

this activity, Adopted May 28, 2002 by Council Resolution No. R-296575. No additional environmental review will be required for the grant application submittal.

Other Recommendation(s):

At the December 12, 2001 meeting, the Natural Resources and Culture Committee recommended that Proposition 14 grant applications for Balboa, Ocean Beach and North Park branch libraries be submitted in Round 2 of the grant funding cycle due on March 28, 2003.

BACKGROUND:

Natural Resources and Culture (NR&C) Committee

In his 2001 State of the City Address, Mayor Murphy outlined a vision for an improved library system. The Mayor partnered with Councilmember Madaffer and asked him to develop an approach to implement his goal of building a strong, comprehensive library system. In early 2001, the NR&C Committee began work on implementing the Mayor's goal by holding a series of meetings to review the state of the Library and its buildings and services. On January 22, 2002, based on the recommendations of the Natural Resources and Culture Committee, Council selected the Main Library, Logan Heights and San Ysidro branch libraries for application to the State Library for Proposition 14 grant funding.

On July 30, 2002 Council approved a list of Main and Branch Library improvement projects that were set forth in the Manager's Report dated July 10, 2002 with some modifications. Further, City Council approved a financing plan on Nov. 18, 2002 and recommended formation of a Library System Project Management Team that would be dedicated to keeping the library system construction on time and under budget.

Proposition 14 Round One Results

The applications for the Main Library, Logan Heights Branch Library and San Ysidro Branch Library were forwarded to the Library Construction and Renovation Board for review and evaluation. At two separate meetings in December 2002, the California Public Library Construction and Renovation Board awarded approximately \$149 million of 1st cycle Library Bond Act funds for 18 projects throughout the State of California. The Logan Heights Branch Library project was the recipient of a \$5.3 million grant award.

DISCUSSION:

Proposition 14

Proposition 14, the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000, will provide \$350 million in grants to

local agencies to construct new libraries or expand and/or renovate existing libraries. Libraries can apply for grants of between \$50,000 and \$20 million per facility, and a 35 percent local match will be required. First priority funding is established for joint-use projects where there is a cooperative agreement between libraries and schools.

Specifically, Proposition 14 funds can be used for:

- 1) Acquisition or construction of new facilities or additions to existing library facilities
- 2) Acquisition of land necessary for the acquisition or construction of new facilities or additions to existing library facilities
- 3) Remodeling or rehabilitation of existing public library facilities or of other facilities for the purpose of their conversion to public library facilities. All remodeling and rehabilitation projects funded with grants authorized shall include any necessary upgrading of electrical and telecommunications systems to accommodate Internet and similar computer technology.
- 4) Procurement or installation, or both, of furnishings and equipment required to make a facility fully operable, if the procurement or installation is part of a construction or remodeling project funded under the State Bond Act.
- 5) Payment of fees charged by architects, engineers and other professionals, whose services are required to plan or execute a project authorized pursuant to the State Bond Act.

#### Considerations for Selection of Projects

There are seven "factors" which the Board considers while reviewing applications:

- 1) Needs of urban and rural areas. The purpose is to ensure that both the urbanized and rural areas of the State receive equitable treatment.
- 2) Population growth. Libraries serving areas that have had significant increases in population will receive greater consideration.
- 3) Age and condition of the existing library facility. Funding will favor the replacement of older, usually obsolete facilities.
- 4) The degree to which the existing library facility is inadequate in meeting the needs of the residents in the library service area and the degree to which the proposed project responds to the needs of those residents.
- 5) The degree to which the library's plan of service integrates appropriate electronic technologies into the proposed project.
- 6) The degree to which the proposed site is appropriate for the proposed project and its intended use.
- 7) The financial capacity of the local agency submitting the application to open and maintain operation of the proposed library for applications for the construction of new public libraries.

Additionally, the grant application itself has 335 components which must be completed in order for the application to be eligible. This includes significant environmental documentation, including a State Clearinghouse Letter, detailed design drawings, proof

of property ownership as well as a 35% of all eligible project costs and 100% of all other project costs. A resolution from the local governing body must be submitted with the application demonstrating the commitment to provide the local matching fund amount and any other supplemental funds needed to complete the project.

#### Environmental Documentation

Environmental documentation will take approximately six to twelve months depending on the number of technical studies needed and the responsiveness of the consultants preparing them. Exact times are difficult to predict because the type of document necessary cannot be predetermined. Based on the projects described, most will probably require Mitigated Negative Declarations and a State Clearinghouse letter which takes approximately six months preparation time from the time the project applications are submitted to Development Services for processing. The developmental services assessment submittal necessary to trigger environmental documentation would include a site plan, building floor plan(s), and elevations, namely 30% design drawings in order for the assessment to occur.

#### Site Acquisition

The grant requires documentation of property ownership. If the property is currently developed or occupied, the entire acquisition process usually takes one year. If the land is vacant and provided no litigation is involved, the process of property acquisition could take approximately six months.

#### Architectural Design and Planning

Extensive conceptual architectural plans and studies at the 30% design stage are necessary. This design work takes approximately six months to produce. It includes geotechnical reports, elevation and site drawings. Plans must also include placement of furniture, adjacencies and technology requirements. The Main Library is the only current project that meets the comprehensive architectural designs and building program requirements to meet the March 28, 2003 deadline.

#### EVALUATION OF ROUND ONE APPLICATIONS

The State Office of Library Construction evaluated and rated each application. Staff reviewed the comments made by the Office of Library Construction and has spoken with the State Library to discuss ways to strengthen future applications.

There were 66 applications submitted for the June 14, 2002 Proposition 14 funding cycle. 61 applications were eligible and were submitted to the Board for evaluation. The total value of the grant requests was over \$500 million. Of the \$150 million scheduled to be awarded in the Round 1 cycle, \$149,226,329 was awarded. The remaining funds will be rolled over to Round 3 of the award cycle. It is anticipated that Round 2 will see even more applications, for a lesser grant distribution of \$110 million and will be even more

competitive than Round 1. The deadline for Round 2 applications is March 28, 2003 and the deadline for Round 3 is January 16, 2004.

On January 10, 2003, Library staff spoke with Bond application evaluators regarding the Main Library application. City staff and architects had many questions regarding the application and the State's comments. Staff anticipates that the suggestions from the State Library can be incorporated into a new Main Library application that would be ready to submit by the March 28, 2003 deadline.

### PROJECTS FOR ROUND TWO AND ROUND THREE

The Natural Resources and Culture Committee recommended projects for consideration for Round two and Round three in the application cycle. Branch projects recommended for Round two are:

Balboa Branch Library (CIP 35-102.0) – A site feasibility study for a 18,000 sq. ft. building was completed, and it was determined to locate the project at the existing site and build up (two stories). The program has since been revised to a 15,000 square foot library on the current site at 4255 Mt. Abernathy Ave. The architectural firm of Hanna, Gabriel and Wells has recently been selected to provide the architectural plans and studies necessary to complete an application. The project is estimated to cost \$7,252,000. \$150,000 has been identified for preparing the design work needed to complete the application. The architectural contract is being finalized. Once the agreement is negotiated, and approved by the City Manager, work will proceed for 30% design. The design work will take approximately 6 months for the 30% level needed for the application. Environmental documentation will proceed in Fall 2003 upon project application submittal.

North Park Branch Library (CIP 35-104.0) - Architectural consultant Jeff Katz has been assigned to perform preliminary site studies for the project. Recently the City has been contacted about some opportunities to relocate the library as part of new mixed use projects in North Park., possibly relocating the library from its location on 3795 31<sup>st</sup> Street. The Library will continue to explore opportunities to provide a new 25,000 square foot facility in North Park that is estimated to cost \$14,079,000. A site feasibility study is in process to determine the project site, with input from the community. Once a project site is identified and additional funds are committed to the project, a consultant agreement for the project design will be negotiated and approved, and work will proceed for 30% design. Environmental documentation will proceed when a site has been determined and a project application submitted.

Ocean Beach Branch Library (CIP 35-100.0) - The architectural consultant of Hanna Gabriel Wells has completed preliminary designs for a 15,000 square foot library using the original (1927) wing of the building on the current site at 4801 Santa Monica Avenue and adjacent properties. Land acquisitions are in process and are expected to take approximately 6 months to one year to finalize. A Mitigated Negative Declaration is in process and public review is anticipated to begin within one month. Approximately \$2

million of the \$9,358,000 million project cost is identified.

Recommended projects for Round three are:

Mission Hills Branch Library (CIP 35-096.0) - A site feasibility study for a 25,000 sq. ft. building was completed, and a new project location was identified. The project program has since been modified to 15,000 sq. ft. Once additional funds are committed to the project and a consultant agreement for the project design is negotiated and approved, work will proceed for 30% design. The project is estimated to cost \$9,947,000 with only \$166,500 identified. The land acquisition process has recently begun and will take approximately one year to complete. Environmental review will commence upon submittal of the project application.

San Carlos Branch Library (CIP 35-088.0) – This project provides for a 16,800 square foot expansion and architectural enhancement of the current facility located at 7265 Jackson Drive. Dominy and Associates have prepared preliminary designs. An agreement is in place to purchase the adjacent property, however, it has not yet been acquired because site clean up (former ARCO site) is incomplete. It is anticipated that this mitigation will be completed by Fall 2003. Once additional funds are committed to the project and a consultant agreement for the project design is negotiated and approved, work will proceed for 30% design. Environmental review will commence upon submittal of the project application. Only \$100,000 of the \$9,180,000 total project cost has been identified.

Skyline Hills Branch Library (CIP 35-107.0) – A site for a new 15,000 square foot library has been identified near the existing library located at 480 S. Meadowbrook Drive. The anticipated completion of land acquisition is in the Spring 2004. A family via the San Diego Foundation has indicated an interest in funding a portion of the \$9,619,000 million project cost. Once funding is committed to the project, a consultant agreement for the project design will be negotiated and approved, and work will proceed for 30% design. Environmental review will commence upon submittal of the project application.

## CONCLUSION

Because of the extensive preparatory work required for the grant applications, including site acquisition, environmental documentation and architectural design and planning, and the requirements that are outlined in the State regulations, the Main Library meets the application criteria and would meet the grant application deadline of March 28, 2003. It is extremely unlikely for any other projects to meet this deadline. Staff will return to Council in late Spring, 2003 with recommendations for projects to submit for the third round cycle of Proposition 14 grant applications due on January 16, 2004.

ALTERNATIVE(S): 1) Do not submit any applications for Proposition 14 grant

funds for Round 2.

Respectfully submitted,

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Anna Tatár  
Library Director

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Approved: Bruce A. Herring  
Deputy City Manager

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